

LOAN AWARD REQUEST

CEC-271 (Revised 02/10)

CALIFORNIA ENERGY COMMISSION

To: Grants and Loans OfficeDate: 11 / 22 / 2010Project Manager: Anne FisherPhone Number: (916) 657-4630Office: Special ProjectsDivision: Fuels and TransportationMS- 23Project Title: City of Turlock**Type of Request:** *(check one)*

<input checked="" type="checkbox"/> New Agreement: <i>(include items A - F from below)</i>		Agreement Number: <u>Assigned by the G&L Office</u>	
Program: <u>ECAA 3%</u>			
Solicitation Name: _____			
Legal Name of Recipient: <u>City of Turlock</u>			
Recipient's Full Mailing Address: <u>156 S. Broadway Ste. 110</u> <u>Turlock, CA 95380</u>			
Recipient's Project Officer: <u>Michael Cooke</u>		Phone Number: <u>(209) 668-5599 ext. 4418</u>	
Email Address <u>mcooke@turlock.ca.us</u>			
Agreement Start Date: <u>1 / 12 / 2011</u>		Agreement End Date: <u>8 / 31 / 2011</u>	
Annual Energy Savings: <u>\$ 110,885.19</u>		Total Loan Amount: <u>\$ 766,165</u>	
Number of Repay Periods: <u>(Leave blank if repay is based on energy savings)</u>			

<input type="checkbox"/> Amendment : <i>(Check all that apply)</i>		Agreement Number: _____	
<input type="checkbox"/> Term Extension – New End Date: <u> </u> / <u> </u> / <u> </u>			
<input type="checkbox"/> Change of Scope <i>(include items A – G from below, as applicable)</i>			
<input type="checkbox"/> Loan Augmentation: \$ <u> </u>			

ITEMS TO ATTACH WITH REQUEST:

- | | | |
|---|--|---------------------------------|
| A. Loan information including application and budget details. | D. CEQA Compliance Form. | F. ECM Codes, if applicable. |
| B. Recipient Resolution. | E. Other Documents as applicable. | G. Justification for Amendment. |
| C. Special Conditions, if applicable. | • Copy of Pre-Award Correspondence | |
| | • Copy of All Other Relevant Documents | |

California Environmental Quality Act (CEQA)

<input checked="" type="checkbox"/> CEC finds, based on recipient's documentation in compliance with CEQA:	
<input checked="" type="checkbox"/> Project exempt: <u>14 CCR Section 15302</u>	NOE filed: <u>9 / 29 / 2010</u>
<input type="checkbox"/> Environmental Document prepared: <u>Type</u>	NOD filed: <u> </u> / <u> </u> / <u> </u>
<input type="checkbox"/> Other: <u>Explain</u>	
<input type="checkbox"/> CEC has made CEQA finding described in CEC-280, attached	

Funding Information:

Source #1: <u>ECC</u>	Amount: <u>\$ 766,165.00</u>	Statute: <u>N/A</u>	FY: <u>2004</u>	Budget List #: <u>401.007C</u>
Source #2: _____	Amount: <u>\$ 0.00</u>	Statute: _____	FY: _____	Budget List #: _____
Source #3: _____	Amount: <u>\$ 0.00</u>	Statute: _____	FY: _____	Budget List #: _____

Business Meeting Approval: *(refer to Business Meeting Schedule)*Date due to Secretariat: 12 / 20 / 2010Proposed Business Meeting Date: 1 / 12 / 2011☐ Consent ☒ DiscussionBusiness Meeting Participant: Anne FisherTime Needed: 5 minutes**Agenda Notice Statement:** *(This is the description that will appear on the agenda)*

Possible approval of a \$766,165 loan to the City of Turlock to upgrade the City's streetlights from sodium vapor and mercury vapor to induction lighting. This project is estimated to save \$110,885.19 annually and have a simple payback of 6.9 years.

Project Manager

Date

Office Manager

Date

Deputy Director

Date

Executive Director

Date

Presiding Policy Committee

Date

Associate Policy Committee

Date

Memorandum

To: Melissa Jones
Executive Director

Date: November 22, 2010

Telephone: 657-4630

From: **California Energy Commission**
1516 Ninth Street
Sacramento CA 95814-5512

Subject: STAFF RECOMMENDATION TO APPROVE A \$766,165 LOAN WITH THE ENERGY CONSERVATION ASSISTANCE ACCOUNT (ECAA) FUNDS TO THE CITY OF TURLOCK FOR ENERGY EFFICIENCY UPGRADES TO BE CONSIDERED AT THE JANUARY 12, 2011 BUSINESS MEETING.

Summary of Item

The City of Turlock (City) requested a loan for \$766,165 to install induction streetlights city-wide.

The upgrades above will reduce the City's energy use by an estimated 959,001 kWh annually. This will save the City approximately \$110,885 in annual energy costs. The total project cost is \$766,165, and will be funded by a 3% ECAA loan.

Table 1 summarizes the project savings, cost and simple payback for the project.

Project	Estimated Energy Savings (kWh/year)	Estimated Annual Cost Savings	Total Project Cost	Loan Amount Requested	Simple Payback (years)
Streetlight Retrofit	959,001	\$110,885	\$766,165	\$766,165	6.9
Total	959,001	\$110,885	\$766,165	\$766,165	6.9

Simple Payback on loan amount is 6.9 years.

- Energy Commission Loan: \$766,165
- **Total Project Cost: \$766,165**

Justification for Action Requested:

Energy Commission staff has determined that the loan request for the City of Turlock is technically justified and meets the requirements for a loan with the Energy Conservation Assistance Account (ECAA) Funds. The program requires repayment of the loan, interest and principal, within 15 years: this is equivalent to projects having a simple payback of 11.0

years or less. As this loan has a simple payback of 6.9 years, it meets the requirement of the loan program. In addition to saving the City money, these energy efficiency measures will reduce the City's annual green house gas emissions by approximately 661,700 pounds CO₂. As a result, staff recommends approval of the loan to the City of Turlock.

Project Manager

Anne Fisher, Special Projects Office

Oral Presentation

Staff will be prepared to discuss this recommendation and to respond to questions regarding the loan.

Business Meeting Participants

Pat Perez, Fuels and Transportation Division

Anne Fisher, Special Projects Office, Fuels and Transportation Division

Commission Action Requested

Approve the loan and authorize the Executive Director to execute the loan documents.

PAT PEREZ, Deputy Director
FUELS AND TRANSPORTATION DIVISION